LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

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FISCAL IMPACT STATEMENT

LS 6288 NOTE PREPARED: Nov 23, 2012

BILL NUMBER: SB 133 BILL AMENDED:

SUBJECT: Statute of Limitations on Enforcement of Judgments.

FIRST AUTHOR: Sen. Kruse BILL STATUS: As Introduced

FIRST SPONSOR:

FUNDS AFFECTED: X GENERAL IMPACT: State & Local

DEDICATED FEDERAL

Summary of Legislation: This bill establishes a 20-year statute of limitations for an action to enforce a judgment.

Effective Date: July 1, 2013.

Explanation of State Expenditures: Case law interprets this 20-year statute of limitations to be a rebuttable presumption. This means that if an order was issued by a court more than 20 years ago, the terms of the judgment are assumed to be satisfied unless an opposing claimant proves that the judgment was not satisfied. This bill would create an absolute outer limit of 20 years on the validity and enforceability of any kind of courtissued judgment or decree.

Consequently, as proposed by this bill, if a court issues a judgment requiring an individual to pay money to a state or local agency, and the individual fails to pay the judgment within 20 years, then the actions may no longer be enforced. Under current law, the state or local government would only be required to prove that the judgment had not been paid to be able to enforce the payment.

Explanation of State Revenues:

Explanation of Local Expenditures: See *Explanation of State Expenditures*.

Explanation of Local Revenues:

SB 133+

State Agencies Affected:

Local Agencies Affected:

<u>Information Sources:</u> In the Matter of the Unsupervised Estate of Dwight M. Wilson v. Phyllis Steward http://www.in.gov/judiciary/opinions/pdf/11151003tac.pdf

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